

Rating Action: Moody's rates BCSul's 3-year senior notes Ba2

Global Credit Research - 01 Jul 2010

New York, July 01, 2010 -- Moody's Investors Service assigned a Ba2 long-term foreign currency debt rating to the US\$200,000,000 senior unsecured notes issued by Banco Cruzeiro do Sul S.A. (BCSul). The notes, due in July 2013, were issued under the bank's existing US\$1,000,000,000 Short-Term Note Program rated Ba2 by Moody's. The outlook on the rating is stable.

Moody's stated that the Ba2 debt rating incorporates BCSul's fundamental credit quality and all relevant country risks. At Ba2, the bond rating is not constrained by the country ceiling for foreign currency bonds and notes for Brazil.

Moody's last rating action on BCSul was on June 02, 2010, when Moody's affirmed all ratings assigned to BCSul and changed the outlook to stable from negative.

The principal methodologies used in rating Banco Cruzeiro do Sul S.A. was Moody's "Bank Financial Strength Ratings: Global Methodology" and "Incorporation of Joint-Default Analysis into Moody's Bank Ratings: A Refined Methodology," published in February and March 2007 and available on www.moody's.com in the Rating Methodologies sub-directory under the Research & Ratings tab. Other methodologies and factors that may have been considered in the process of rating this issuer can also be found in the Rating Methodologies sub-directory on Moody's website.

BCSul is headquartered in São Paulo, Brazil, and it had total assets of R\$7,678 million (US\$4,263 million) and total equity of R\$1,093 million (US\$604 million) as of March 30, 2010.

The following rating was assigned to the US\$200 million senior unsecured notes due 2013:

Ba2 long-term foreign currency debt rating, stable outlook

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